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TAGS: <u>PGOV PREL PHUM KDEM VE OAS</u>

SUBJECT: VENEZUELAN REFERENDUM UPDATE: AUGUST 10

Classified By: Abelardo A. Arias, Political Counselor, for Reason  $1.5\ (b)$  and (d)

Summary

11. (C) National Electoral Council (CNE) President Francisco Carrasquero August 9 warned the opposition and the media not to violate rules prohibiting the announcement of referendum results before the votes are officially counted August 15. Chavez supporters attacked opposition campaign workers in downtown Caracas on August 9, tearing down the opposition awning and burning campaign material. The CNE moved up its test of the fingerprint machines to August 10 and 11 to test the efficiency of changes made to the network system. OAS chief observer Ries and told Poloff August 10 the observer mission is proceeding normally. Primero Justicia Secretary General Jose Luis Mejias expressed cautious optimism while Movimiento Quinta Republica (MVR) Deputy Calixto Ortega is "100% certain" that Chavez will win the referendum. CANTV President Gustavo Roosen testified before a special commission of the National Assembly August 9 for six hours. End Summary.

Warning from the CNE

12. (U) Reacting to Governor Enrique Mendoza's announcement that the Coordinadora Democratica would give out results the afternoon of August 15, National Electoral Council (CNE) President Francisco Carrasquero warned the opposition and the media not to violate rules that prohibit the announcement of referendum results before the votes are officially counted. Carrasquero told reporters August 9 that the CNE, "will not hesitate to activate the legal mechanisms and punish those responsible." According to the CNE regulations any television or radio channel transmitting referendum results in violation of the law is subject to having its signal cut or closed. Carrasquero reminded reporters that the CNE is the institution responsible for counting the votes and announcing the results of the referendum. Carrasquero asserted that the Coordinadora "announcement was made to create unease and restlessness so that next Sunday there will be disorder and the authority of the CNE will be in question."

Violence in Caracas Repeated

13. (U) Supporters of President Hugo Chavez attacked opposition campaign workers when they set up information booths at a public square in downtown Caracas August 9. The National Guard and Military Police intervened, but the Chavez supporters nonetheless succeeded in destroying the opposition awning and burned opposition campaign materials. The Chavez supporters also later attacked an adjacent municipal government building, seizing the flag and throwing objects at the building. Opposition deputy Julio Borges (Primero Justicia) said the violence was an isolate incident, and that the referendum campaign was proceeding in large part peacefully.

Fingerprint Machines Being Tested

14. (U) The CNE moved up its test of the fingerprint machines to August 10 and 11 to test the efficiency of changes made to the network system. Carlos Silva, a CNE technician, told reporters the fingerprint machines exceeded expectations and proved much faster and easier to used than predicted during the August 10 simulation. Organization of American States (OAS) chief observer Edgardo Ries told Poloff August 10 the OAS computer specialist Celio Santos was satisfied with the capacity of the fingerprint system. While Santos said the

system was technically capable of carrying out the task, he admitted it could be used to slow down the process depending

OAS Keeping Low Profile

15. (C) OAS chief observer Ries and told Poloff August 10 the observer mission is proceeding normally. Ries said the OAS had avoided most of the CNE's strict rules for international observers through quiet negotiation and accommodation of the CNE's bureaucratic requirements. Ries said the OAS would have 57 observers in the field on referendum day, including five observers sent separately by the Government of Spain. He said the OAS observers will have freedom of movement during the referendum and will not participate in the CNE's official observer program. Ries said the rules prohibit observers from performing a quick count, but the OAS would perform an informal check of results for internal use. Gustavo Nogueira, a Brazilian diplomat working for OAS mission chief Ambassador Valter Pecly, said the mission expected to have access to the totalization process at the CNE after polls close. Nogueira said Pecly's comments to the press, prohibited by the rules, thus far had not been challenged by the CNE because Pecly's comments were positive.

Canadian Ambassador Comments on Observation Missions

16. (C) At the Ambassador's residence on August 9, Canadian Ambassador Allan Culham described the current international observers' participation in the referendum as an "act of faith." He said they could help ensure a fair process even though they are under restrictions that fall below the norm of what observers are permitted to do. Culham said he understands why the EU decided not to observe, but he believes the decision by the OAS to participate is the right one. He also expressed regret that the international community never dealt with OAS mission coordinator Fernando Jaramillo's report regarding the fraud/irregularities in the administration of the signature collection and repair processes. Culham was the only ambassador resident in Caracas to participate as an international observer of the signature collection and repair processes with the OAS mission.

Cautious Optimism from the Opposition  $% \left( 1\right) =\left( 1\right) \left( 1\right) \left$ 

17. (U) Primero Justicia Secretary General Jose Luis Mejias told Poloff August 9 the opposition would win the referendum, but by a small enough margin that the GOV might employ fraud to steal the election. Mejias said Chavez's rise in the polls had peaked, according to the Coordinadora's daily tracking poll. The poll has shown the winner flip-flopping in a 46-44 race among registered voters, with 10 percent still undecided. Mejias said there are four evenly split categories represented in the undecided: 1) those who refuse to answer, probably due to fear (Mejias said these are probably "Yes" votes); 2) those who really do not intend to vote; 3) those who will vote with the perceived winner; and 4) those who really are undecided and looking at the positions of both sides. Mejias said the Coordinadora had failed with this last group of voters, making the race very tight. He estimated that the race would be decided by 300,000 - 400,000 votes, which makes the undecided voters critical. Of course, he admitted, the GOV could still use fraud to close the margin. He said mobilization will be the key to winning, and if at least eight million voters turn out, he predicted the opposition would win.

MVR Deputy Certain of a Chavez Win

18. (C) Movimiento Quinta Republica (MVR) Deputy Calixto Ortega is "100% certain" that Chavez will win the referendum due to the recent polling data, the success of their events, the desperation of the opposition, and current economic growth in Venezuela. Ortega told Poloffs August 9 that winning the street is very important in Venezuelan politics, and the massive pro-government march August 8 proved that the "NO" campaign has won on that score. Of the 14 million registered voters, Ortega believes 20-30% will abstain, leaving approximately 10 million voters in the referendum. He believes 3.7 million will vote "Si" to recall Chavez and between 5-6 million will vote "No" to maintain Chavez in office. Although most opposition supporters think they will win, Ortega said, there are some opposition politicians who know Chavez will win but can't admit it for political reasons.

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19. (C) CANTV President Gustavo Roosen went before a special commission of the National Assembly August 9 to discuss his company's handling of the automated voting for the referendum. At a dinner at the Ambassador's residence later that night, Roosen said he testified for six hours on trumped up accusations of the bias of CANTV in favor of the "Si" campaign. According to Roosen, the Chavistas assert a USG - CIA link to the company by virtue of Verizon's 28% share in the company. Chavez supporters believe that because so many CANTV employees signed to petition for the recall referendum, CANTV will attempt to manipulate the vote. Other Chavistas, he said, believe the results could be manipulated by remote control satellite messages "as was done by INTESA in its strike sabotage of PDVSA." Roosen said he was asked ignorant questions and overwhelmed the deputies with information. Planted questions by opposition legislators, however, were knowledgeable ones. Roosen believed the point of the hearing was to create a "political floor" to allow Chavez to "intervene" in CANTV ahead of the vote, if he wanted to. The congressional committee subsequently told Roosen that they had backed down from taking any kind of action, and the hearing closed without any specific finding.

Shapiro

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